

ESTTA Tracking number: **ESTTA524482**Filing date: **03/02/2013**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**Petition for Cancellation**

Notice is hereby given that the following parties request to cancel indicated registration.

**Petitioner Information**

Name	El Encanto, Inc. d/b/a Bueno Foods		
Entity	Corporation	Citizenship	New Mexico
Address	2004 4th Street NW Albuquerque, NM 87102 UNITED STATES		

Name	Hatch Chile Association		
Entity	Nonprofit corporation	Citizenship	New Mexico
Address	400 Dawson Raod La Mesa, NM 88044 UNITED STATES		

Attorney information	Bruce L. Plotkin Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, CO 80202 UNITED STATES bplotkin@bhfs.com, eholmes@bhfs.com, dnipdocket@bhfs.com
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**Registration Subject to Cancellation**

Registration No	3391024	Registration date	03/04/2008
Registrant	Hatch Chile Company, Inc. PO Box 752 Deming, NM 88031 UNITED STATES		

**Goods/Services Subject to Cancellation**

Class 030. First Use: 1988/11/15 First Use In Commerce: 1988/11/15 All goods and services in the class are cancelled, namely: Enchilada sauce and sauce for rice
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**Grounds for Cancellation**

The mark is primarily geographically descriptive	Trademark Act section 2(e)(2)
The mark is primarily geographically deceptively misdescriptive	Trademark Act section 2(e)(3)
Other	Breach of contract

Related Proceedings	91204917, 91207365, 91207335
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Attachments	Petition.pdf ( 10 pages )(6093825 bytes )
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## Certificate of Service

The undersigned hereby certifies that a copy of this paper has been served upon all parties, at their address record by First Class Mail on this date.

Signature	/emilyholmes/
Name	Emily C. Holmes
Date	03/02/2013

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the Matter of the Trademark Registration No. 3,391,024  
For the Trademark: HATCH in International Class 30

El Encanto, Inc. d/b/a Bueno Foods, and  
Hatch Chile Association  
Opposers,

v.

Hatch Chile Company, Inc.,  
Applicant.

**CANCELLATION NO.** \_\_\_\_\_

**JOINT PETITION FOR CANCELLATION**

El Encanto, Inc. d/b/a Bueno Foods ("Bueno"), a New Mexico corporation having its principal place of business at 2004 4th Street NW, Albuquerque, New Mexico 87102, and Hatch Chile Association (the "Association"), a New Mexico nonprofit corporation having its principal place of business at 400 Dawson Road, La Mesa, New Mexico 88044, each believes that it is damaged by Registration No. 3,391,024, for the mark HATCH which is owned by Hatch Chile Company, Inc. ("HCC"), and hereby jointly petition to cancel the same under the provisions of 15. U.S.C. § 1064. As grounds for cancellation, Bueno and the Association assert that:

**A. The Parties**

1. Bueno is a successful food company based in New Mexico that produces New Mexican and Mexican style foods.
2. Bueno manufactures, prepares, and distributes more than 150 authentic, gourmet-quality food products to restaurants, grocery stores and other retail customers throughout the United States. Bueno's products include green chile, red chile, salsas, and a line of ready-to-

serve prepared products such as tamales and enchiladas. Certain of Bueno's products are sourced from the Hatch Valley in New Mexico.

3. For years, Bueno – like many other New Mexico-based food producers – has used the descriptive term "Hatch" in connection with the description and promotion of certain food products that are sourced from New Mexico's Hatch Valley, and Bueno intends to continue such use.

4. The Association is an association of growers of chilies in New Mexico's Hatch Valley.

5. The Association also uses the descriptive term "Hatch" in connection with the description and promotion of its chilies that are grown in New Mexico's Hatch Valley, and the Association intends to continue such use.

6. HCC is a food company based in Brunswick, Georgia. Upon information and belief, HCC manufactures and distributes food products to restaurants and grocery stores throughout the United States.

7. Upon information and belief, an individual named Steve Dawson is the president of HCC.

8. Upon information and belief, in one of his prior employment positions, Mr. Dawson served as the president of Hatch Farms, Inc. ("Hatch Farms"), the predecessor entity to HCC.

9. Upon information and belief, and as stated in the records of the USPTO, HCC began using the HATCH mark in commerce on November 15, 1988.

10. Upon information and belief, and as stated in the records of the USPTO, HCC filed an application to register the HATCH mark on March 12, 2007, pursuant to 15 U.S.C. 1051

(a). The application matured into U.S. Registration No. 3,391,024 on March 4, 2008, for "enchilada sauce and sauce for rice," in Class 30 (the "HCC Product").

**B. The Meaning of the Term "Hatch"**

11. Hatch, New Mexico is a village located in Doña Ana County, New Mexico.
12. The Hatch Valley is the area surrounding Hatch, New Mexico.
13. The Hatch Valley is known among the relevant consuming public for its chile and other New Mexican food products that originate from that area.
14. In certain trademark registrations owned by HCC (U.S. Reg. Nos. 1735090, 1735053, and 1722215), HCC has disclaimed the term "Hatch," thereby acknowledging that "Hatch" is a descriptive term.

**C. The "Hatch" Agreement**

15. In or around 1991, Mr. Dawson and Hatch Farms entered into an agreement with Bueno regarding the use of the term "Hatch" (the "Agreement"). A copy of the Agreement is attached as Exhibit A.
16. Pursuant to Paragraph 2 of the Agreement, Mr. Dawson and Hatch Farms agreed to "never use the word 'HATCH,' or assert exclusive rights to the word 'HATCH,' as a trademark for chile or trade name for a business that grows or deals in chile," except as part of a combination "with a design or with another word or words or with both words and design."
17. The HCC Product contains chile as the primary ingredient.
18. HCC's specimen submitted for the HCC Product is a can label for HATCH SELECT enchilada sauce, that lists "dried red chile" as a primary ingredient.
19. Paragraph 2 of the Agreement expressly applies to, among others, Mr. Dawson, Hatch Farms, and "their subsidiaries, affiliates, successors, and associate companies," as well as Mr. Dawson "acting directly or indirectly through any business enterprises."

20. The Agreement was executed by Mr. Dawson, both in his individual capacity and his capacity as president of Hatch Farms.

FIRST JOINT GROUND FOR CANCELLATION

21. The alleged mark HATCH is primarily geographically deceptively misdescriptive under Section 2(e)(3) of the Lanham Act, 15 U.S.C. § 1052(e)(3).

22. The primary significance of the term "Hatch" is as a generally known geographic location: the Hatch Valley in New Mexico, which includes the village of Hatch, New Mexico.

23. The consuming public is likely to believe that the place identified by the alleged mark HATCH indicates the origin of the HCC Product (that is, that a goods/place association exists).

24. Upon information and belief, the HCC Product – or at least a portion of the HCC Product – will not (or do not) come from the Hatch Valley.

25. HCC's misrepresentation through its use of the alleged mark HATCH with the HCC Product would be a material factor in the relevant public's decision to purchase the HCC Product.

26. As HCC's alleged mark has registered, HCC has obtained at least a prima facie exclusive right to use the term "HATCH" in certain contexts, thereby endangering Bueno's and the Association's right to continue using the term "Hatch" in their own commercial efforts. In addition, Bueno, the Association and the purchasing public is damaged by HCC's registration of the alleged mark HATCH for the HCC Product as a result of HCC's deceptive misrepresentation through the use of the alleged mark.

27. In light of the foregoing, the Board should cancel the registration of the alleged mark pursuant to Section 2(e)(3) of the Lanham Act, 15 U.S.C. § 1052(e)(3)

## SECOND JOINT GROUND FOR CANCELLATION

28. As an alternative to the First Ground for Cancellation set forth above, the alleged mark HATCH is primarily geographically descriptive under Section 2(e)(2) of the Lanham Act, 15 U.S.C. § 1052(e)(2).

29. The primary significance of the term "Hatch" is as a generally known geographic location: the Hatch Valley in New Mexico, which includes the village of Hatch, New Mexico.

30. The consuming public is likely to believe that the place identified by the alleged mark HATCH indicates the origin of the HCC Product (that is, that a goods/place association exists).

31. As HCC's alleged mark has registered, HCC has obtained at least a prima facie exclusive right to use the term "HATCH" in certain contexts, thereby obscuring Bueno's right to continue using the term "Hatch" in its own commercial efforts.

32. In light of the foregoing, the Board should cancel the registration of the alleged mark pursuant to Section 2(e)(2) of the Lanham Act, 15 U.S.C. § 1052(e)(2).

## BUENO'S THIRD GROUND FOR CANCELLATION

33. The Agreement remains in full force and effect.

34. HCC, and its president, Mr. Dawson, are bound by terms of the Agreement.

35. The Agreement prohibits HCC and/or Mr. Dawson from using or asserting exclusive rights in the alleged mark HATCH in connection with the HCC Product.

36. By filing the use-based application, HCC has asserted exclusive rights in the alleged mark HATCH in connection with the HCC Product, in breach of the Agreement.

37. The Agreement precludes and/or estops HCC from registering the alleged mark HATCH in connection with the HCC Product.

38. As the alleged mark HATCH has been allowed to register, HCC is in further violation of the Agreement since such registration issued after HCC's use of the alleged mark – which is prohibited by the Agreement – commenced.

39. As a result of HCC's claim to trademark rights in the term "Hatch" and register the alleged mark HATCH in contravention of the terms of the Agreement, Bueno has suffered and will continue to suffer damage to its business.

**D. Conclusion**

WHEREFORE, Bueno and the Association respectfully request that U.S. Trademark Registration No. 3,391,024, be cancelled, and that this Petition to Cancel be sustained in favor of Bueno and the Association.

Respectfully submitted,

Dated: March 2, 2013

By:   
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Emily C. Holmes  
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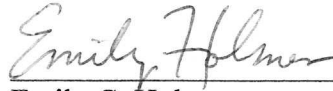
ATTORNEYS FOR BUENO AND THE  
ASSOCIATION



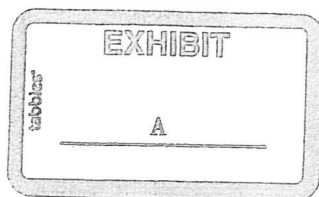
**CERTIFICATE OF SERVICE**

I, Emily C. Holmes, hereby certify that on March 2, 2013, I served the foregoing Petition for Cancellation upon the following person(s) via U.S. mail:

Hatch Chile Company, Inc.  
PO Box 752  
Deming, NM 88031

A handwritten signature in cursive script, reading "Emily C. Holmes", written over a horizontal line.

Emily C. Holmes  
Brownstein Hyatt Farber Schreck, LLP  
410 Seventeenth Street, Suite 2200  
Denver, CO 80202



### AGREEMENT

EL ENCANTO, INC., a New Mexico corporation, and HATCH FARMS, INC., a New Mexico corporation, agree:

1. The parties agree that the word "HATCH" as used in connection with chile is a geographically descriptive term and when the word "HATCH" is used in connection with chile, prospective purchasers expect the chile to come from the Hatch Valley in New Mexico.

2. The parties agree that they, their subsidiaries, affiliates, successors and associate companies, and Steve Dawson ("Dawson"), acting directly or indirectly through any business enterprises, may use a combination of the word "HATCH" with a design or with another word or words or with both words and design as a trademark for chile or a trade name for a business that deals in chile and may assert exclusive rights in the combination, so long as the combination is not likely to be confused with a prior trademark or trade name of the other party. The parties and Dawson will never use the word "HATCH," or assert exclusive rights to the word "HATCH," as a trademark for chile or trade name for a business that grows or deals in chile, except as part of such a combination. The parties and Dawson are free to use the word "HATCH" as a geographically descriptive term in connection with chile.

3. El Encanto agrees that it will withdraw its application for registration, Serial No. 73/727,882, filed on

May 12, 1988, in the U.S. Patent and Trademark Office, or cancel the registration if it issues, in a form agreed to by both parties; provided, however, that El Encanto may reapply for registration of the logo which was the subject of that application or registration upon changing the logo to include the "BUENO" trademark and reducing the size and prominence of the word "HATCH" in or outside of the logo so that the word "BUENO" is prominently featured in the logo and on the label. In its application, El Encanto will disclaim exclusive rights to use the word "HATCH" apart from the mark. Hatch Farms, Inc., and Dawson agree they will not oppose or seek cancellation of registration of such mark, nor will they encourage or assist others in doing so.

4. Hatch Farms, Inc., may seek registration for its HATCH SELECT mark in connection with its green chile products in the U.S. Patent and Trademark Office, provided it disclaims exclusive rights to use the word "HATCH" apart from its HATCH SELECT mark. Likewise, Hatch Farms, Inc., may seek registration for its HATCH SELECT mark in connection with its non-chile containing products in the U.S. Patent and Trademark Office, and shall not be required, under this Agreement, to disclaim the word "HATCH" as it pertains to such products. El Encanto agrees it will not oppose or seek cancellation of registration of such marks, nor will it encourage or assist others in doing so.

5. This Agreement binds the parties, their successors and assigns, may not be modified except in writing signed by the

parties, and will be governed by and construed according to the laws of the State of New Mexico.

HATCH FARMS, INC.

EL ENCANTO, INC.

By Steve Dawson  
Its President

By Gregory L. [unclear]  
Its President

I agree to the provisions of paragraphs 2 and 3.

Steve Dawson  
STEVE DAWSON